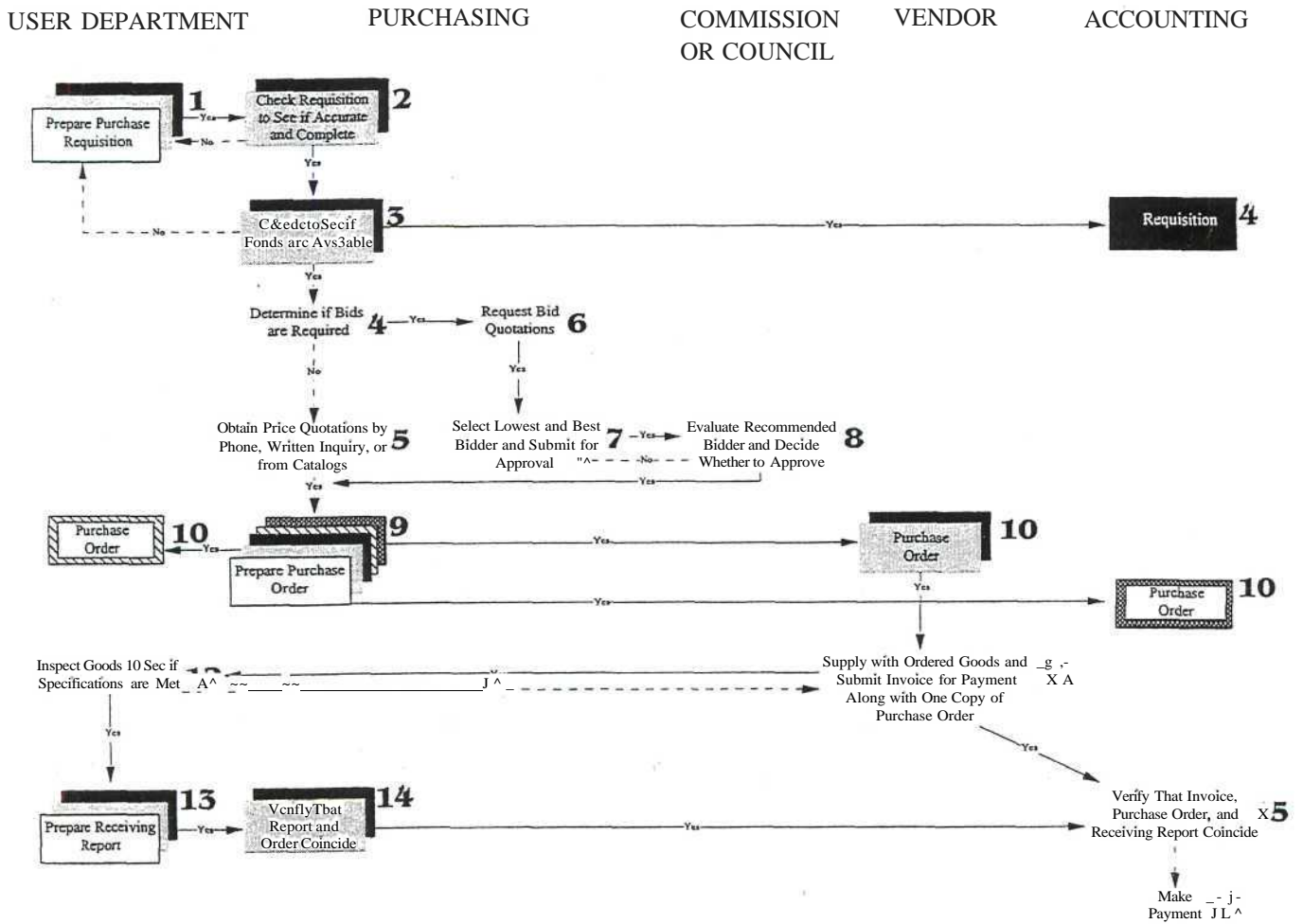


The Purchasing Cycle



PROCESS TO SUBMIT REQUISITIONS FOR PROCUREMENT OF GOODS AND SERVICES WITH A VALUE OF LESS THAN \$3,000.00

Departments are to prepare a requisition for all purchases of goods and services and wait for a purchase order from the Purchasing Department before goods are ordered. A Department may receive quotes from a vendor; however, it must be stressed to the vendor that your department is just ascertaining pricing information only and not an order.

Department

1. Prepare a requisition through the BS&A system, which should include the following:
 - Vendor (if known, otherwise use the "UNKNOWN" vendor in the system)
 - Quantity
 - Description of item
 - Account number
 - Price
2. Sign the requisition (Requestor and/or Department Head)
3. Submit the requisition to Purchasing Department

Purchasing

1. Review the requisition for completeness
2. Convert the requisition into a purchase order
3. Send copy of purchase order to vendor, requesting Department, and Finance

Department

1. Review purchase order for correctness
2. Receive goods or services
3. Verify goods and services
4. Process a receiver into the BS&A system

Finance

1. Reviews receiver
2. Receives and matches invoice to receiver
3. Process payment to vendor

The Purchasing Department reviews requisitions on a weekly basis, and should be able to process your request within seven (7) days. If it is determine that you need your goods and services before the seven day period, please contact our department, and we will try to expedite your request.

PROCESS TO SUBMIT REQUISITIONS FOR PROCUREMENT OF GOODS AND SERVICES WITH A VALUE OF MORE THAN \$3,000.00

Departments are to prepare a requisition for all purchases of goods and services and wait for appropriate authorization from the Purchasing Department before goods are ordered.

Department

1. Prepare a requisition through the BS&A system which should include the following:
 - Vendor (use the "UNKNOWN" vendor in the system)
 - Quantity
 - Description of item
 - Account number
 - Price (you may enter zero or budgeted amount for said request)
2. Attach any specifications for request
3. Sign the requisition (Requestor and/or Department Head)
4. Submit the requisition to Purchasing Department

Purchasing

1. Review requisition for completeness
2. Prepare a bid/proposal for said request
3. Receive bids/proposals
4. Read bids/proposals during public opening
5. Record bids/proposals on City's website
6. Send bids/proposals to Department along with letter of instructions

Department

1. Review bid/proposal for completeness
2. Contact vendor, if necessary, to ask any questions about bid/proposal
3. Prepare a memo with recommendation which should include:
 - Name of vendor
 - Explanation of why vendor was selected
 - Any additional information
4. Update requisition by entering dollar amount of request
5. Prepare a staff review form to include department head's signature
6. Forward information to Purchasing Department

Purchasing

1. Review recommendation from Department
2. Prepare a resolution
3. Circulate the resolution for review and signature to the following departments:
 - Legal

- Finance
 - Budget
4. Assemble all resolutions to submit City Council
 5. Prepare a cover memo to Administration listing all resolutions being submitted to Council
 6. Submit memo and resolutions to Administration
 7. Administration will submit all resolutions to one of the City Council's secretary

City Council (Committee Meeting)

1. Review resolution
2. Approve the resolution and send to Council Meeting

City Council (City Council Meeting)

1. Approve, decline, or postpone resolution during meeting
2. Forward approved resolution to appropriate Department

Purchasing Department

1. Receives approved resolution
2. Process either a purchase order or a notice to proceed into contract letter for approved resolution
3. Forward appropriate information to department

RESOLUTION STAFF REVIEW

DATE:

Date

Agenda Item Title:

Item submitted to Council

Prepared By:

Provide name

Background/Summary of Proposed Action:

Give background on request.

Financial Implications: State dollar amount

Budgeted? **Yes** **No** **Please explain if no:**

Account No.: **provide account number**

Pre-encumbered? **Yes** **No** **Requisition #**

Other Implications (i.e., collective bargaining):

Staff Recommendation: **Approval**

Staff Person: _____
(Dept Head or other authorized staff)

(Purchasing No. 80000013)

SAMPLE

RESOLUTION:

PRESENTED:

ADOPTED:

BY THE MAYOR

RESOLUTION

WHEREAS, The Department of Purchases & Supplies has solicited bids for the annual supply of work gloves as requested by Inventory Control; and

WHEREAS, Advance Glove & Safety Co., Inc., 3638 Pickwick Dr., Flint, Michigan was the lowest responsive bidder from eight solicitations for said requirements. To establish inventory, the following account numbers will be utilized: 661 -000.000-110.400 (\$26,503.20), 590-000.000-110.200 (\$13,825.28), 591-000.000-110.500 (\$6,361.58); and

THEREFORE BE IT RESOLVED, That the Department of Purchases & Supplies, upon City Council's approval, is hereby authorized to issue purchase orders to Advance Glove & Safety Co., Inc. for the annual supply of work gloves, in the amount of \$46,690.06. (Fleet/Central Garage Fund, Water Fund, Sewer Fund)

Approved-Purchasing Department

Approved as to Funds

Derrick F. Jones
Purchasing Manager

Leonard Smorch
Finance Department

Approved as to Form

Approved as to Budget

Angela Watkins
Acting City Attorney

Michael A. Townsend
Budget Department

051208 -KRN

PROCESS TO SUBMIT REQUEST FOR AN EMERGENCY PURCHASE

An emergency purchase is an unforeseen emergency in which there is an eminent danger to the health and welfare of the public. These requests exceed the approved dollar threshold of \$3,000, and require immediate action. The Purchasing Department, in accordance with the City Ordinance Section 18-21.10, is recommending the following procedure to handle said request:

- The Department head shall, when the circumstances permit, request in writing why the head of Purchasing should evoke the emergency purchase provision.
- A complete purchasing requisition, identifying and securing funding, should be forwarded with request.
- A firm price should be identified, however, an estimate will be reviewed.
- If there are not sufficient funds to handle the emergency, steps should be taken to gain written approval from the appropriate officials to proceed. That written approval should be immediately forwarded to the Purchasing Department.
- The Purchasing Department will review the request and if approved, will process a purchase order or notice to proceed into a contract memo to the requesting Department. The Purchasing Department will also send a notification to City Council of the emergency action.
- Each department should designate a person (project manager), who is responsible for checking and following the vendor to insure that the City's best interests is protected. In the event that this contract involves repairing a City facility, the City Engineer should be involved in the total process.

PROCESS TO PREPARE A CONTRACT OR PROFESSIONAL SERVICE
AGREEMENT (PSA)

In section 18-21.5 (i) of the City's Code of Ordinance states that any professional service agreements that exceed \$2,000 shall require City Council approval, unless otherwise provided by the Charter or other law.

Department

1. Prepare a requisition through the BS&A system which should include the following:
 - Vendor's name or use the "UNKNOWN" vendor in the system)
 - Quantity
 - Description of item
 - Account number
 - Price
2. Sign the requisition (Requestor and/or Department Head)
3. Prepare resolution if amount is over \$2,000
4. Circulate resolution for review and signature to the following departments:
5. Submit resolution to Administration for review
6. Administration will submit resolution to City Council

City Council (Committee Meeting)

1. Review resolution
2. Approve the resolution and send to Council Meeting

City Council (City Council Meeting)

1. Approve, decline, or postpone resolution during meeting
2. Forward approved resolution to appropriate Department

Department

1. Prepare contract (at least three copies)
2. Send contract to Legal Department for review
3. Send contract to vendor for review and signature
4. Vendor should forward contract back to Department
5. Send contract to Administration for signature
6. Send contract to Clerk for recording (Clerk will keep one copy)
7. Disseminate contract to vendor, Finance Department, keep copy for Department

Agenda due - 12:00 p.m.	City Council Committee Meeting 5:00 p.m.	Add-on resolutions due 12:00 p.m.	Special Affairs 4:30 p.m.	Council Meeting 5:30 p.m.
Thurs., Feb. 26	Wed., March 4, 2009	Thurs., March 5	Monday, March 9	Monday, March 9
Thurs., Mar. 12	Wed., March 18, 2009	Thurs., March 19	Monday, March 23	Monday, March 23
Thurs., Apr. 2	Wed., April 8, 2009	Thurs., April 9	Monday, April 13	Monday, April 13
Thurs., Apr. 16	Wed., April 22, 2009	Thurs., April 23	Monday, April 27	Monday, April 27
Thurs., Apr. 30	Wed., May 6, 2009	Thurs., May 7	Monday, May 11	Monday, May 11
Thurs., May 14	Wed., May 20, 2009	Thurs., May 21	Wed., May 20	Wed., May 20
Thurs., May 28	Wed., June 3, 2009	Thurs., June 4	Monday, June 8	Monday, June 8
Thurs., June 11	Wed., June 17, 2009	Thurs., June 18	Monday, June 22	Monday, June 22